(iv) Automatic approval for foreign equity up to 100% is available for most of the processed food items excepting alcohol and beer and those reserved for small scale sector, subject to certain conditions.

Protection of Sugarcane Industries in Maharashtra

3260. MISS MABEL REBELLO: Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government have any proposal to protect the sugarcane industry in Maharashtra;

(b) if so, what action has been taken so far to implement the proposal;

(c) the Government have any suggestion to export sugar out of India; and

(d) what is the response from Western countries?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI S.B.P.B.K. SATYANARAYANA RAO): (a) and (b) Due to unprecedented large sugar production during the current 1999-2000 (October-September) sugar season in the country in general and Maharashtra in particular, the sugar industry is facing problem of liquidity both in terms of storage space and finances. With a view to easing out the problem, the Government have taken following measures:

(i) The Central Government have reduced the levy obligation of domestic sugar factories from 40% to 30% with effect from 1.1.2000 with a view to improving the financial position of the sugar factories which would enable them to pay the cane price dues promptly.

(ii) To restrict inflow of imported Sugar in the country, Government with effect from 9.2.2000, have increased the custom duty to 60% along with the existing countervailing duty of Rs. 850 per tonne.

(iii) The Central Government is also pursuing a policy of encouraging stability and reasonable level of sugar prices in the domestic market through judicious releases of free sale sugar quotas to enable the sugar factories to clear the cane price dues of the farmers.

(iv) Advance release of free sale sugar are being made to the needy sugar factories enabling them to pay the cane price dues.

(v) Due to non-lifting of levy sugar by FCI from certain States including Maharashtra, an equivalent quantity was released as advance freesale sugar for sale in the open market.

(c) and (d) Government have decided to allow export of 10 lakh tonnes of sugar and not charge levy on the export quantity for a period of six months with effect from 1st June, 2000.

As of now sugar factories have informed that they have contracted exports in small quantities for Bangladesh and Sri Lanka.

Fish Landing Centres

3261. SHRI N.K. PREMACHANDRAN: Will the Minister of AGRICULTURE be pleased to state:

(a) whether any proposal for construction of fishing harbour and/or fish landing centres submitted by the Government of Kerala await sanction;

(b) if so, the details thereof and reasons for the delay in according sanction; and

(c) the time by which it is likely to be sanctioned?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (DR. DEBENDRA PRADHAN): (a) Yes, Sir. The following proposals for construction of fishing harbours/fish landing centres are under consideration in this Ministry:

1. Minor Fishing Harbour at Ponnani.

2. Fish Landing Centre at Chempu.

3. Fish Landing Centre at Kazhimbram.

(b) and (c) The proposal of the Government of Kerala for construction of a minor fishing harbour at Ponnani in Malappuram district at an estimated cost of Rs. 2970.00 lakhs has been referred to Central Institute of Coastal Engineering for Fishery (CICEF), Bangalore for detailed technical scrutiny. The CICEF has sought clarifications and additional technical details from the Government of Kerala on the main components of the project pertaining to breakwater, quay, dredging and reclamation etc. The Institute can examine the Techno-Economic Feasibility of the project, only on receipt of technical information required from the State Government. The proposals for construction of fish landing centres at Chempu in Ernakulam district and at Kazhimbram in Trissur District at an estimated cost of Rs. 21.60 lakhs and Rs. 29.65 lakhs respectively has been examined in the Ministry, and the State Government has been requested to update the cost estimates of both the project proposals based on the current Schedule of Rates. The updated cost estimate of the projects are awaited from the State Government for progressing the proposals further.